

# HOUSE BILL 67

C3, O2

0lr0036

(PRE-FILED)

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By: **Chair, Health and Government Operations Committee (By Request –  
Departmental – Health Insurance Plan)**

Requested: October 5, 2009

Introduced and read first time: January 13, 2010

Assigned to: Health and Government Operations

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Committee Report: Favorable

House action: Adopted

Read second time: February 17, 2010

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Senior Prescription Drug Assistance Program – Sunset Extension**

3 FOR the purpose of extending the termination date of the Senior Prescription Drug  
4 Assistance Program; altering the period of time during which the subsidy  
5 required under the Senior Prescription Drug Assistance Program may not  
6 exceed a certain amount; and generally relating to the Senior Prescription Drug  
7 Assistance Program.

8 BY repealing and reenacting, with amendments,  
9 Article – Insurance  
10 Section 14–106(e)  
11 Annotated Code of Maryland  
12 (2006 Replacement Volume and 2009 Supplement)

13 BY repealing and reenacting, with amendments,  
14 Chapter 153 of the Acts of the General Assembly of 2002, as amended by  
15 Chapter 282 of the Acts of the General Assembly of 2005, Chapter 345 of  
16 the Acts of the General Assembly of 2006, Chapter 509 of the Acts of the  
17 General Assembly of 2007, and Chapter 558 of the Acts of the General  
18 Assembly of 2008  
19 Section 13

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**EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.**

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
2 MARYLAND, That the Laws of Maryland read as follows:

3 **Article – Insurance**

4 14–106.

5 (e) The subsidy that a nonprofit health service plan is required to provide to  
6 the Senior Prescription Drug Assistance Program under subsection (d)(1)(iii) of this  
7 section may not exceed:

8 (1) for the period of January 1, 2006 through June 30, 2006,  
9 \$8,000,000;

10 (2) for fiscal years 2008 through [2010] **2013**, \$14,000,000; and

11 (3) for any year, the value of the nonprofit health service plan's  
12 premium tax exemption under § 6–101(b) of this article.

13 **Chapter 153 of the Acts of 2002, as amended by Chapter 282 of the Acts of**  
14 **2005, Chapter 345 of the Acts of 2006, Chapter 509 of the Acts of 2007, and**  
15 **Chapter 558 of the Acts of 2008**

16 SECTION 13. AND BE IT FURTHER ENACTED, That:

17 (1) No later than June 1, 2003, the Secretary of Health and Mental  
18 Hygiene and the carrier that is required to offer the Short–Term Prescription Drug  
19 Subsidy Plan under Title 15, Subtitle 6 of the Health – General Article shall transfer  
20 all Plan records, data, and other information necessary to operate and administer the  
21 Senior Prescription Drug Program established under this Act to the Board of the  
22 Maryland Health Insurance Plan.

23 (2) Each individual enrolled in the Short–Term Prescription Drug  
24 Subsidy Plan, established under Title 15, Subtitle 6 of the Health – General Article, on  
25 June 30, 2003 shall, at the option of the enrollee and subject to the payment of all  
26 necessary premiums and copayments, be automatically enrolled in the Senior  
27 Prescription Drug Program established under this Act.

28 (3) It is the intent of the General Assembly that the transition of  
29 enrollees from the Short–Term Prescription Drug Subsidy Plan to the Senior  
30 Prescription Drug Program be accomplished without interruption of benefits for  
31 enrollees.

32 (4) Subsidies shall be offered to enrollees through the Senior  
33 Prescription Drug Assistance Program established under Title 14, Subtitle 5, Part II of  
34 the Insurance Article beginning January 1, 2006. At the end of December 31, [2010]

1 **2012**, the Senior Prescription Drug Assistance Program established under Title 14,  
2 Subtitle 5, Part II, as amended, shall be abrogated and of no further force and effect.

3 (5) Beginning April 1, 2003, the carrier required to offer the  
4 Short-Term Prescription Drug Subsidy Plan under Title 15, Subtitle 6 of the Health –  
5 General Article and the Senior Prescription Drug Assistance Program under Title 14,  
6 Subtitle 5 of the Insurance Article shall subsidize the Plan and beginning January 1,  
7 2006, the Program, using the value of the carrier’s premium tax exemption.

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
9 October 1, 2010.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.